

Health Insurance Premium Holiday (SB 1523)

Questions and Answers

The Governor signed Senate Bill 1523 on May 7, 2012 implementing a health insurance premium holiday for FY 2012-2013. A premium holiday is a pay period in which the employee's medical insurance premiums will not be deducted from the employee's pay. Premiums will be waived for employees, retirees, and agencies for the self-insured medical plan. The full details of how many pay periods will be affected and when these changes are planned are not available at this time, however, the following information is provided to answer questions about premium holidays.

1. What is an insurance premium holiday?

A premium holiday is a pay period in which the employee's medical insurance premiums will not be deducted from the employee's pay.

2. When will the insurance premium holiday occur?

The pay period when the insurance premium holiday will be effective has not been determined. More information will be released as it becomes available.

3. Will an employee's benefits coverage change as a result of the premium holiday?

No. There will be no changes to benefits coverage as a result of the premium holiday.

4. Will employees that are not enrolled in medical coverage through the State participate in the insurance premium holiday?

No, only employees that are enrolled in the State's health plan will participate in the premium holiday.

5. How much money will an employee save as a result of the premium holiday?

Each employee's medical insurance premium varies depending on the employee's unique family status and the provider and plan selections the employee has chosen. To identify what an employee pays for medical coverage each pay period, employees may refer to a recent paycheck (log in to YES (www.yes.az.gov), click "Current Pay Check" from options on the left side of the web page) to find medical premiums listed under "Pre-Tax Deductions."